



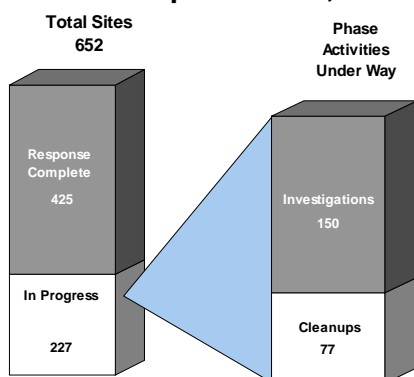
DLA

Cleanup Status and Progress

"Completion of restoration of contaminated sites on DLA installations continues to be one of my highest priorities. We owe it to future generations to correct past errors and maintain our facilities in ways that will assure those mistakes are not repeated. Likewise, we continue to address cleanup at our closing installations as quickly as possible so properties can be returned to communities in support of the President's program for economic reuse. All of this is being accomplished, not in a vacuum, but in partnership with both federal and state regulators as well as with the communities that we all serve."

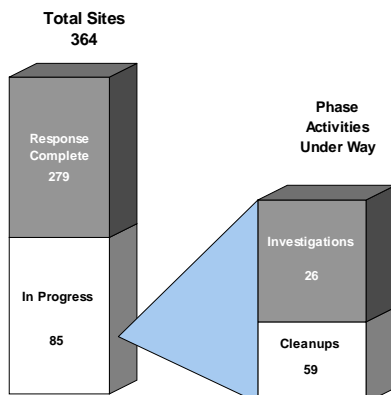
— HENRY T. GLISSON, LIEUTENANT GENERAL, USA, DIRECTOR, DEFENSE LOGISTICS AGENCY

Active and BRAC Site Status as of September 30, 1998

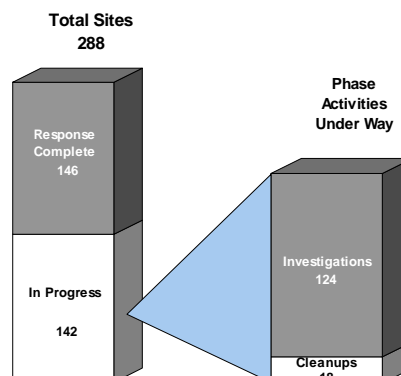


The Defense Logistics Agency (DLA) is a combat support agency headquartered at Fort Belvoir, Virginia. DLA is responsible for providing the Department of Defense (DoD) and other federal agencies with a variety of logistics, acquisition, and technical services in peace and war. These services include inventory management, procurement, warehousing, and distribution of spare parts, food, clothing, medical supplies, construction materials, and fuel; administration of all

Active Site Status as of September 30, 1998



BRAC Site Status as of September 30, 1998

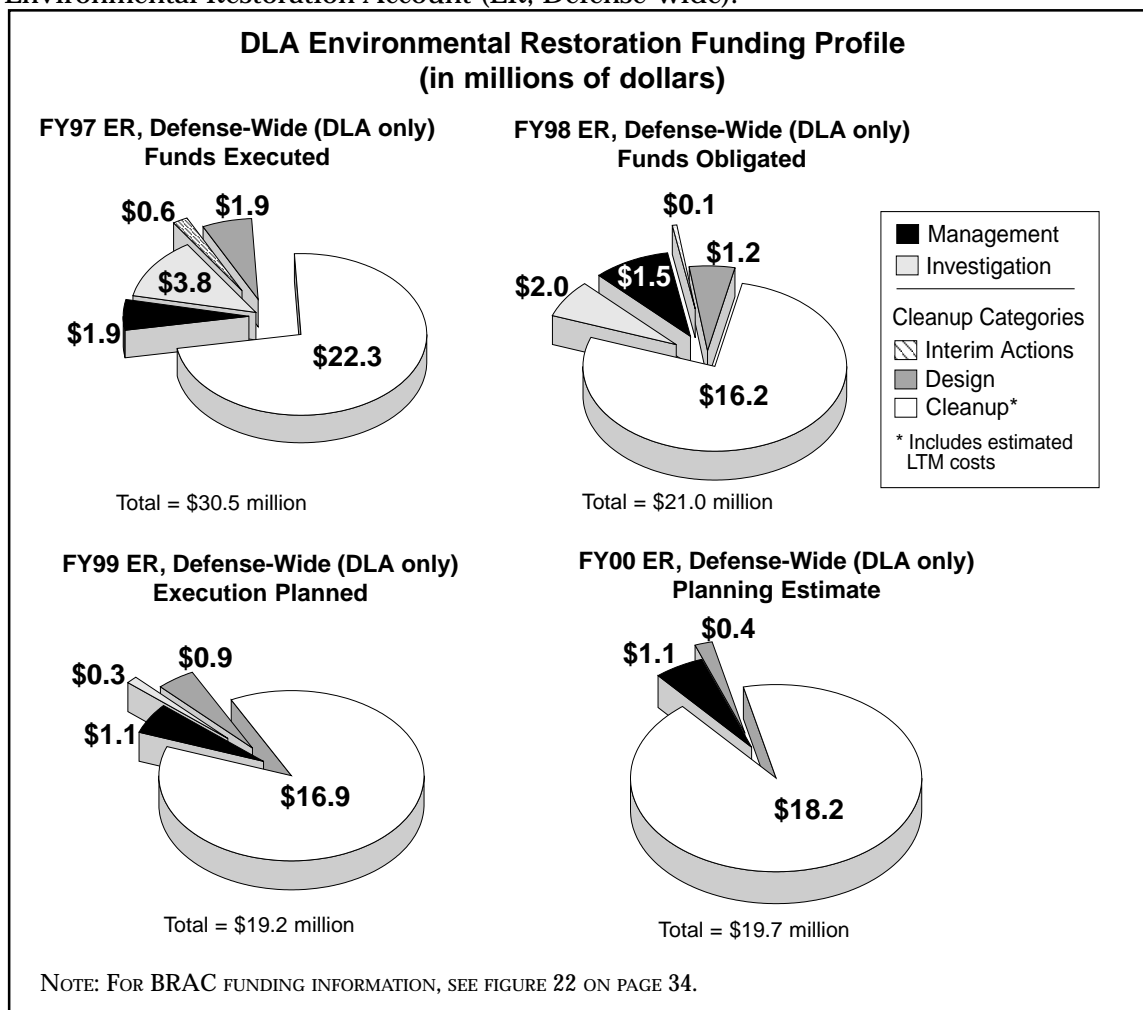


acquisition contracts for military service weapon systems; and reutilization and disposal of material that is obsolete, worn out, or no longer needed.

DLA also provides the Military Departments and the nation with several environmental services, including hazardous waste disposal, technical information on hazardous waste, fuel services, management of the ozone-depleting substances reserve, and storage and maintenance of stockpiles of strategic and critical materials for national defense.

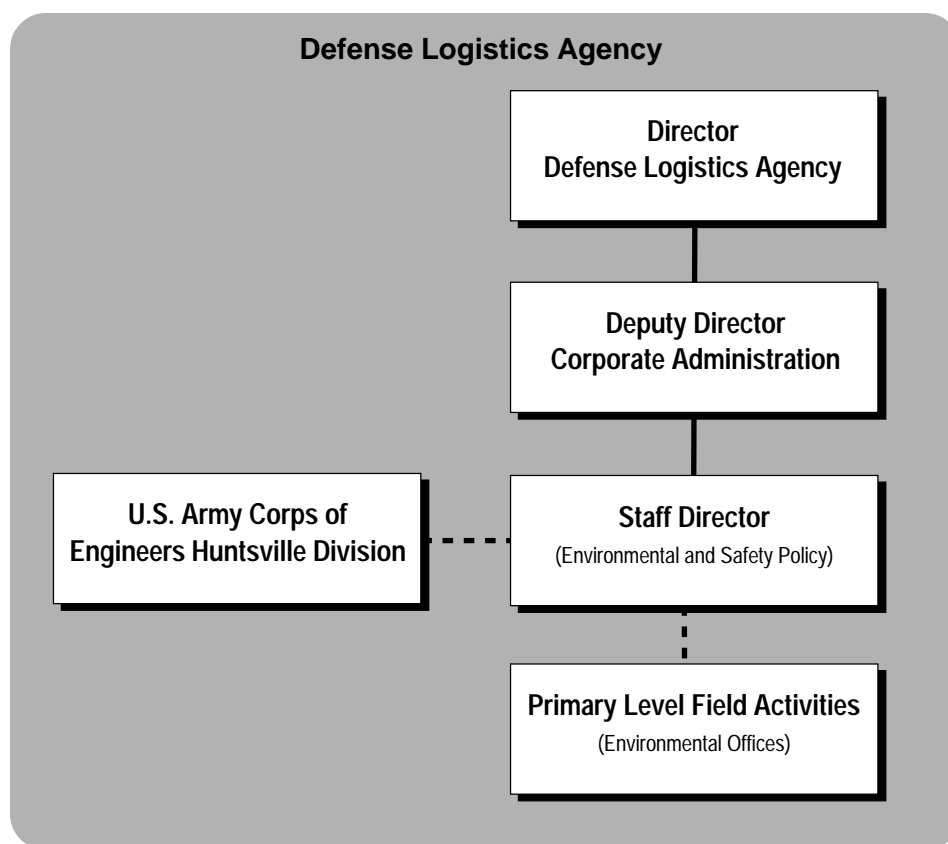
Associated with some of these services is the responsibility for environmental compliance and cleanup. For example, DLA is involved in cleanups at 45 active third-party sites where contamination has resulted from improper disposal or transfer of DoD hazardous wastes. Under DLA's Defense National Stockpile program, unique environmental issues arise in relation to storage, disposal, and sale of materials such as asbestos, lead, mercury, and thorium nitrate. At the end of fiscal year 1998 (FY98), DLA had a total of 652 sites in its environmental restoration program. The primary contaminants of concern at these sites are fuels, solvents, polychlorinated biphenyls (PCBs), and heavy metals.

DLA cleanup efforts at active installations are funded by the Defense-wide Environmental Restoration Account (ER, Defense-wide).



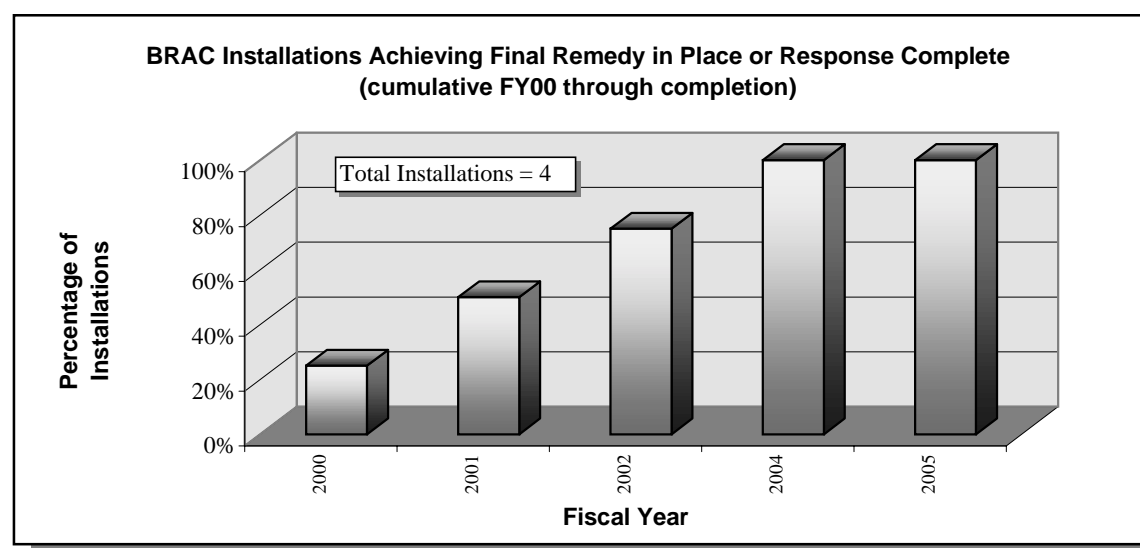
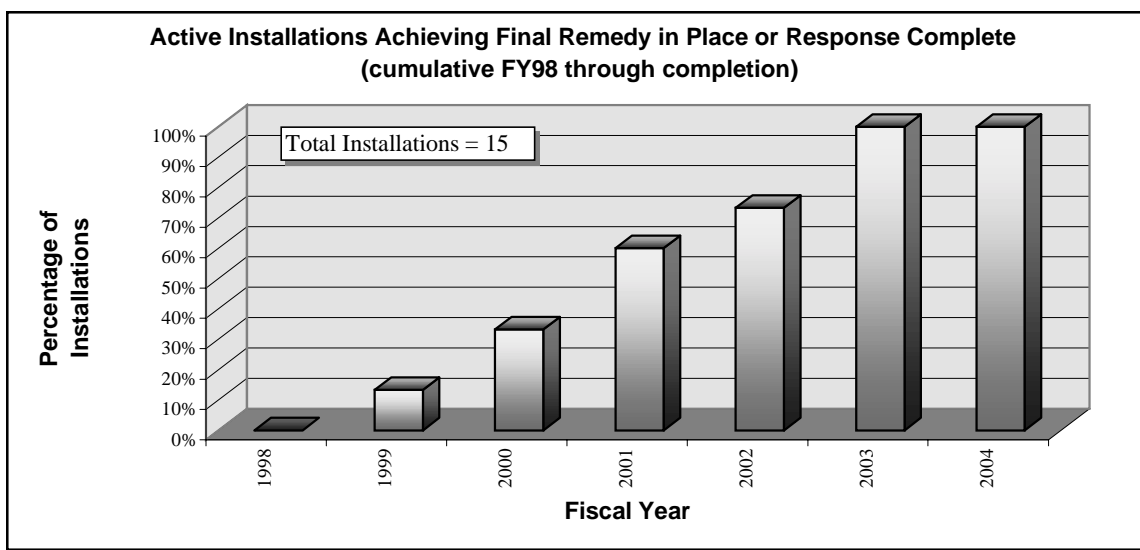
Program Execution

DLA has a staff of 475 environmental specialists. These specialists are located throughout the world and are responsible for ensuring that DLA's activities are conducted in full compliance with applicable environmental requirements. The DLA logistics mission gives the agency special opportunities to provide services and support that are critical to the environmental programs of its military service customers. The goal of DLA's cleanup program is to reduce risk to human health and the environment by expediting remediation of past hazardous material management sites. DLA is making good progress in its cleanup program and is meeting all DoD cleanup goals on time, and in some cases, ahead of schedule. The U.S. Army Corps of Engineers (USACE) handles the bulk of DLA's cleanup program. Most of the contracts administered by USACE for this work are cost-reimbursement-type contracts. Performance-based contracting is used at all DLA sites, and the results have been very good, promoting innovation and increasing cost-effectiveness.



Program Accomplishments

The accomplishments of the DLA cleanup program reflect the program's complexity and its many, diverse goals. In particular, these achievements illustrate how DLA advances and harmonizes the competing needs of safeguarding the environment, conserving limited funds, reusing property at closing installations, and, above all, safeguarding human health. Initiatives at individual DLA facilities illustrate the agency's success in these areas.



Recycling

At the Defense Distribution Depot Susquehanna, Pennsylvania (DDSP), DLA recycled demolition debris from a closed laundry, realizing cost savings while attaining environmental objectives. The facility, Building T-21, was demolished to enable DDSP to remediate trichloroethene-contaminated soil and groundwater that lay beneath the building. After demolition, most of the building debris was recycled. All of the steel was recycled off site and all of the concrete was crushed on site into stone. The stone, which remained on site, is being used to improve the DDSP perimeter roads and for other projects throughout the depot. Recycling the concrete on site was not only far less expensive than taking it off site for disposal but also saved the depot the expense of purchasing stone for the roadway. In addition, reusing the concrete on site allowed the contractor to avoid taking up valuable landfill space.

Reusing Property

In 1998 the cleanup and reuse effort at the Defense Electronics Supply Center at Gentile Air Force Station in Dayton, Ohio, was recognized, when the center was named Facility of the Year by the National Association for Installation Developers.

The center was closed by the Base Realignment and Closure (BRAC) Commission in FY93. Instead of viewing this event as a calamity, the City of Kettering used it to create new economic opportunities. The city is now working with DLA and the Air Force Base Conversion Agency to turn this vision into a reality. Today, the Kettering Business Park is home to eight businesses and provides 1,765 jobs. The city plans to bring an additional 1,800 employees into the park.

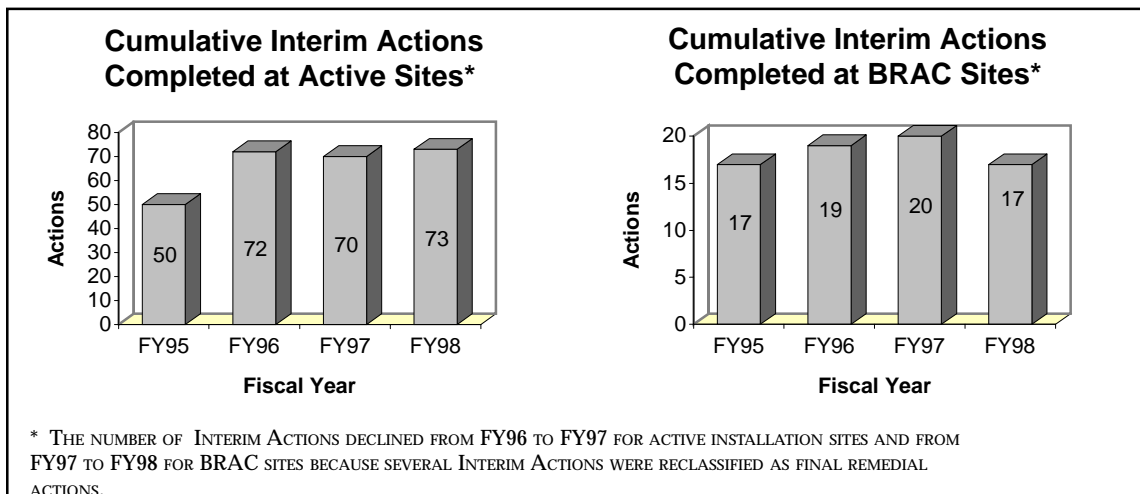
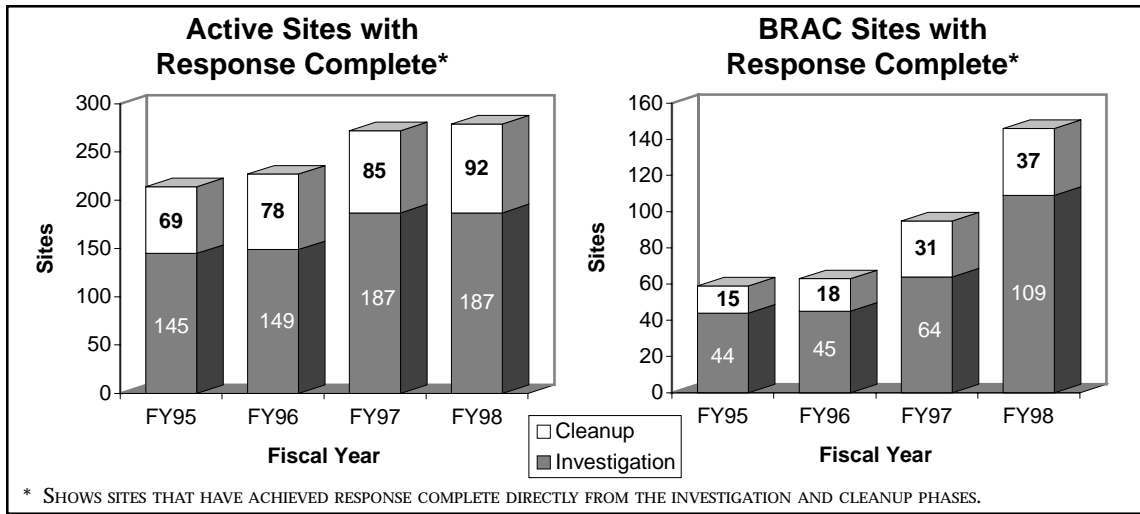
The City of Kettering began reconstructing the property, demolishing buildings, rebuilding roads, and installing fiber-optic cable and new utility systems, while environmental restoration work was still in progress. To facilitate these efforts, DLA and the Air Force worked to ensure that the cleanup of the property was conducted as quickly and safely as possible. Cleanup of the property began in June 1997 and is expected to be complete by December 1999. The target date for having the final environmental remedy in place is August 2000. At that time, only long-term monitoring will be necessary for protection of human health and the environment.

Cost Avoidance

At DLA's Defense Supply Center Richmond, regulatory assistance helped DLA realize substantial savings. The soil at the former fire-fighter training pit on this property has been determined to contain various chemicals. The proposed plan for addressing this contamination required excavation and off-site disposal of approximately 1,300 cubic yards of soil. This proposed plan was presented to, and accepted by, EPA management. However, during the subsequent final review by the EPA toxicologist, it was noted that EPA's risk assessment numbers had been revised since the original evaluation of the area. With use of the new risk assessment numbers, it was shown that the area did not present a risk that would require excavation. The proposed plan is thus being revised, with "no action" selected as the preferred alternative. This modification resulted in avoidance of approximately \$1.25 million in unnecessary cost.

Investigating Health Impacts

DLA's Defense National Stockpile Center (DNSC) is working with the New York State Department of Environmental Conservation and the Broome County Health Department to conduct sampling at the Binghamton Depot and evaluate the installation's potential impact on the local community. This effort was spurred by the presence of a cancer cluster affecting young children in the area. DLA is working to ascertain and demonstrate that DNSC is not the cause of these illnesses. In addressing this serious concern, DNSC has developed an outstanding working relationship with both the county and the state.



Partnerships

Partnerships with regulatory agencies, contractors, and community representatives are a cornerstone of DLA's cleanup program. In FY98, partnering at the Defense Energy Support Center, Defense Distribution Depot Memphis (DDMT), Defense Supply Center Richmond (DSCR), and Defense Distribution Depot Susquehanna were particularly productive, saving time and improving program execution.

Defense Energy Support Center

DLA's Defense Energy Support Center developed an effective partnership with its environmental consultant and the state regulators in its cleanup of a former fuel storage facility in Harpswell, Maine. DESC used face-to-face meetings instead of correspondence for discussion of remedial alternatives, resolution of cleanup issues, and achievement of consensus on the tasks required to bring the site to closure. This cooperative spirit fostered trust and mutual respect among all parties in the cleanup and allowed DLA to move this site to closure much faster than it could have if it had kept regulators at arm's length.

Defense Distribution Depot Memphis

On June 1 and 2, 1998, the former Defense Distribution Depot Memphis facilitated a partnering session in Jackson, Tennessee. Participants included USACE, the contractors working for the depot, state and federal regulators, DLA headquarters personnel, and the Office of the Secretary of Defense BRAC Closure and Transition Office. The session was part of an ongoing effort to improve communication and to understand the processes through which other agencies interact with DLA. This effort has been very beneficial in moving the cleanup program ahead in Memphis and in improving the depot's standing in the community.

Defense Supply Center Richmond

DLA's Defense Supply Center Richmond, EPA, and the Virginia Department of Environmental Quality (VDEQ) recently agreed to expand their partnering initiatives. According to its original Interagency Agreement (IAG), DSCR was required to hold quarterly technical review committee (TRC) meetings, which it has done. During 1998, however, the group elected to go beyond what was required. Responding to the VDEQ representative's comments about partnering in another group in which he was involved, the TRC decided to expand its meeting schedule, on a trial basis, adding eight detailed planning meetings per year to the required quarterly meetings. The addition of these detailed planning sessions allowed the TRC to reformat the required quarterly meetings to accommodate participants who wanted a less detailed view of the program. As a result of this expanded schedule, the TRC changed the format of the quarterly meetings to include only an overview of the program along with information on what had been accomplished since the previous meeting. Attendance at the TRC meetings also "expanded" in FY98 to include representatives of the Water Board, Chesterfield County, and contractors working on the operations and maintenance portion of the program.

Defense Distribution Depot Susquehanna

The Pennsylvania Department of Environmental Protection (PADEP) and DoD recently implemented a multisite agreement (MSA). This partnering tool has been, and will continue to be, a very useful tool for the Installation Restoration Program. DLA's Defense Distribution Depot Susquehanna, Pennsylvania, has submitted, as requested, the first MSA data request to PADEP. PADEP and the Baltimore District of USACE hosted a DoD Workshop on Pennsylvania's Land Recycling and Environmental Remediation Standards Act (Act 2). DDSP's cleanup contractor and regulatory personnel associated with the Act 2 process also attended.

Outreach

DLA recognizes the importance of its relationships with the communities surrounding its installations. In reaching out to its neighbors, DLA not only fulfills a public trust, but also taps a valuable resource. Community outreach efforts at two DLA facilities were particularly productive in FY98.

Defense Distribution Depot Memphis

In FY98, the efforts of the DDMT BRAC cleanup team led to an early removal action at the base housing complex in support of the McKinney Act, a law promoting housing for the homeless. The base housing is scheduled for reuse for this purpose in calendar year 1999. The environmental condition of other land parcels is also continually reviewed to support leasing and transfer. The BCT's dual real estate and cleanup perspectives have enabled it to accommodate reuse priorities while satisfying Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) requirements.

One outreach effort for the depot involved DDMT's participation in the Greater Memphis Environmental Justice Workgroup. The DDMT BRAC Environmental Coordinator, the State of Tennessee's lead regulator, and a community relations contractor all participated in this group, which is supported and co-chaired by the Agency for Toxic Substances and Disease Registry. The workgroup's purpose is to determine what, if any, health impacts have been caused by the Memphis Depot and other industrial or urban sources of environmental contamination in the area. To date, the involvement of the depot and the state regulator has consisted of explaining the CERCLA process to workgroup participants and describing how that process has been implemented at the depot. It is not certain whether DLA personnel will continue to participate in the group, since it has tended to focus on more general environmental issues rather than on impacts specifically related to the depot.

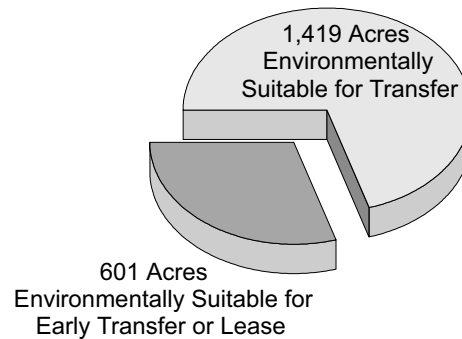
Defense Supply Center Philadelphia

Active and informed Restoration Advisory Boards (RABs) contribute substantially to the success of DLA's cleanup efforts. In FY98, community members of the Defense Supply Center Philadelphia (DSCP) RAB applied for and received Technical Assistance for Public Participation (TAPP) assistance to enhance their understanding of the technical aspects of DSCP's restoration program.

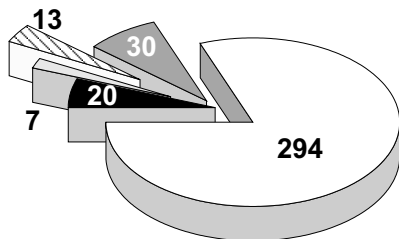
In 1996, a RAB was established at the DSCP, Pennsylvania, a facility affected by the 1993 BRAC round. In 1998, the community members of the RAB applied for, and received TAPP assistance. The purpose of this assistance was to help the community members better understand the technical aspects of DSCP's restoration program. The RAB agreed that "informed neutrality" would empower the community in local restoration decisions. Although DoD procured the TAPP provider, the RAB was encouraged to cite contractor preferences during the selection process. A contract was awarded, and the consultant now performs a variety of tasks for the RAB to ensure that the community is fully informed of all restoration activities.

RAB members agree that the TAPP has enhanced overall understanding of DSCP's cleanup program and has also strengthened overall community support and acceptance of DSCP's restoration activities, facilitating the return of the property to the community for redevelopment.

Environmental Condition of BRAC Property

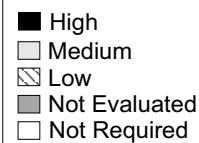


Relative Risk Ranking for Active Sites in Progress

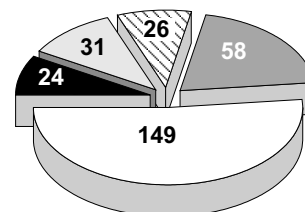


Total Sites = 364

Relative Risk



Relative Risk Ranking for BRAC Sites in Progress



Total Sites = 288